

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
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Petition of BellSouth Telecommunications, Inc. For Forbearance Under 47 U.S.C. § 160(c) From Application of <i>Computer Inquiry</i> and Title II Common-Carriage Requirements)	WC Docket No. 04-405
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**NATIONAL TELECOMMUNICATIONS COOPERATIVE ASSOCIATION
INITIAL COMMENTS**

The National Telecommunications Cooperative Association (NTCA)¹ hereby files its initial comments in response to the Federal Communications Commission's (Commission's or FCC's) Public Notice seeking comment on the petition of BellSouth for forbearance regarding incumbent local exchange carrier (ILEC) provisioning of broadband services.² In its petition, BellSouth requests that the Commission forbear from applying its "*Computer Inquiry*"³ requirements and Title II common carrier regulations

¹ NTCA is the premier industry association representing rural telecommunications providers. Established in 1954 by eight rural telephone companies, today NTCA represents 560 rural rate-of-return regulated incumbent local exchange carriers (ILECs). All of its members are full service local exchange carriers, and many members provide wireless, cable, Internet, satellite and long distance services to their communities. Each member is a "rural telephone company" as defined in the Communications Act of 1934, as amended (Act). NTCA members are dedicated to providing competitive modern telecommunications services and ensuring the economic future of their rural communities.

² Petition of BellSouth Telecommunications, Inc. for Forbearance Under 47 U.S.C. § 160(c) from Application of Computer Inquiry and Title II Common-Carriage Requirements, Public Notice, WC Docket No. 04-405, DA 04-3507 (Nov. 3, 2004) (Public Notice).

³ See, Regulatory and Policy Problems Presented by the Interdependence of Computer and Communication Services and Facilities, Docket No. 16979, Final Decision and Order, 28 F.C.C.2d 267 (1971); Amendment of Section 64.702 of the Commission's Rules and Regulations, Docket No. 20828, Final Decision, 77 F.C.C.2d 384 (1980); Computer III Further Remand Proceedings: Bell Operating Co. Provision of Enhanced Services, CC Docket No. 95-20, 1998 Biennial Review—Review of Computer III and ONA Safeguards and Requirements, CC Docket No. 98-10, Report and Order, 14 FCC Rcd 4289 (1999) (collectively, *Computer Inquiry*).

that apply to stand-alone ILEC broadband transport services.⁴ BellSouth, however, does not distinguish its broadband services from rural ILEC broadband services. The Commission must recognize that rural ILECs do not seek the same deregulatory treatment as requested by BellSouth. The Commission therefore should not preclude allowing rural LECs to tariff broadband services as common carrier offerings.

The Commission should refrain from broadly applying its forbearance authority to rural ILECs in this proceeding and ensure that the current tariffing and pooling options remain available to rural ILECs who seek to offer broadband transport services, including basic digital subscriber line (DSL) transmission, pursuant to the NECA tariff. In addition, if the Commission does decide to forbear from applying Title II common carrier regulation to BellSouth's broadband transmission services, the FCC should continue to require BellSouth to contribute the universal service fund (USF) mechanisms based on its revenues derived from its broadband transmission services to ensure sufficient, predictable, and sustainable support in the future.

Mandatory deregulation of stand-alone broadband transmission services will likely impede the progress of broadband deployment in some rural areas, where the high cost of providing service in thinly populated rural regions of the country would prevent some smaller telephone companies from offering such services on a deregulated basis. Many rural ILECs operate in mostly sparsely populated areas of the United States and continue to face varying geographic, demographic and economic challenges when

⁴ Petition of BellSouth Telecommunications, Inc. for Forbearance Under 47 U.S.C. § 160(c) from Application of *Computer Inquiry* and Title II Common-Carriage Requirements, WC Docket No. 04-405 (filed Oct. 27, 2004) (*BellSouth Petition*), p. 33.

deploying advanced telecommunications services. Today's levels of broadband deployment in small rural markets simply would not exist without the benefits of NECA's tariff and pools. The BellSouth Petition should therefore not preclude the Commission from allowing rural LECs to tariff broadband services as common carrier offerings.

Rural ILECs seek retention of the DSL tariffing and pooling options.⁵ The Commission should therefore clarify that rural ILECs may continue to choose to tariff and pool DSL transmission services when it resolves the BellSouth Petition given the demonstrated benefits of broadband services and support for DSL transmission services tariffing and pooling options. Lastly, if the Commission does forbear from applying Title II common carrier regulation to BellSouth's broadband transmission services, it should continue to require BellSouth to contribute the USF based on its revenues derived from

⁵ See Comments of NTCA at 13-15; Comments of NECA at 14-17; Comments of OPASTCO at 7-9; Comments of GVNW Consulting, Inc. at 10; and Comments of USTA at 31 filed *In the Matter of Petition of SBC Communications Inc. for Forbearance from the Application of Title II Common Carrier Regulation to IP Platform Services*, WC Docket No. 04-29.

its broadband transmission services to ensure sufficient, predictable, and sustainable support in the future. This will assist in ensuring the continued deployment of quality advanced services and networks in rural America.

Respectfully submitted,

**NATIONAL TELECOMMUNICATIONS
COOPERATIVE ASSOCIATION**

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December 20, 2004

CERTIFICATE OF SERVICE

I, Gail Malloy, certify that a copy of the foregoing Initial Comments of the National Telecommunications Cooperative Association in WC Docket No. 04-405, DA 04-3507 was served on this 20th day of December 2004 by first-class, U.S. Mail, postage prepaid, to the following persons.

/s/ Gail Malloy

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